



Senate

General Assembly

File No. 222

February Session, 2024

Substitute Senate Bill No. 351

Senate, April 3, 2024

The Committee on Government Administration and Elections reported through SEN. FLEXER of the 29th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT INCREASING FUNDING FOR THE COMMUNITY INVESTMENT ACCOUNT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (e) of section 7-34a of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July 1,*
3 *2024*):

4 (e) In addition to the fees for recording a document under subsection
5 (a) of this section, town clerks shall receive a fee of [~~forty~~] forty-five
6 dollars for each document recorded in the land records of the
7 municipality. The town clerk shall retain one dollar of any fee paid
8 pursuant to this subsection and three dollars of such fee shall become
9 part of the general revenue of the municipality and be used to pay for
10 local capital improvement projects, as defined in section 7-536. Not later
11 than the fifteenth day of each month, town clerks shall remit [~~thirty-six~~]
12 forty-one dollars of the fees paid pursuant to this subsection during the
13 previous calendar month to the State Treasurer. Upon deposit in the

14 General Fund, such amount shall be credited to the community
15 investment account established pursuant to section 4-66aa, as amended
16 by this act. The provisions of this subsection shall not apply to any
17 document recorded on the land records by an employee of the state or
18 of a municipality in conjunction with such employee's official duties. As
19 used in this subsection, "municipality" includes each town, consolidated
20 town and city, city, consolidated town and borough, borough, and
21 district, as defined in chapter 105 or 105a, any municipal corporation or
22 department thereof created by a special act of the General Assembly,
23 and each municipal board, commission and taxing district not
24 previously mentioned.

25 Sec. 2. Section 4-66aa of the general statutes is repealed and the
26 following is substituted in lieu thereof (*Effective July 1, 2024*):

27 [(a)] There is established, within the General Fund, a separate,
28 nonlapsing account to be known as the "community investment
29 account". The account shall contain any moneys required by law to be
30 deposited in the account. The funds in the account shall be distributed
31 every three months as follows: (1) Ten dollars of each fee credited to said
32 account shall be deposited into the agriculture sustainability account
33 established pursuant to section 4-66cc and, then, of the remaining funds,
34 (2) twenty-five per cent to the Department of Economic and Community
35 Development to use as follows: (A) Three hundred eighty thousand
36 dollars, annually, to supplement the technical assistance and
37 preservation activities of the Connecticut Trust for Historic
38 Preservation, established pursuant to special act 75-93, and (B) the
39 remainder to supplement historic preservation activities as provided in
40 sections 10-409 to 10-415, inclusive; (3) twenty-five per cent to the
41 Department of Housing to supplement new or existing affordable
42 housing programs; (4) twenty-five per cent to the Department of Energy
43 and Environmental Protection for municipal open space grants; and (5)
44 twenty-five per cent to the Department of Agriculture to use as follows:
45 (A) Five hundred thousand dollars annually for the agricultural
46 viability grant program established pursuant to section 22-26j; (B) five
47 hundred thousand dollars annually for the farm transition program

48 established pursuant to section 22-26k; (C) one hundred thousand
49 dollars annually to encourage the sale of Connecticut-grown food to
50 schools, restaurants, retailers and other institutions and businesses in
51 the state; (D) seventy-five thousand dollars annually for the Connecticut
52 farm link program established pursuant to section 22-26l; (E) forty-
53 seven thousand five hundred dollars annually for the Seafood Advisory
54 Council established pursuant to section 22-455; (F) forty-seven thousand
55 five hundred dollars annually for the Connecticut Farm Wine
56 Development Council established pursuant to section 22-26c; (G)
57 twenty-five thousand dollars annually to the Connecticut Food Policy
58 Council established pursuant to section 22-456; and (H) the remainder
59 for farmland preservation programs pursuant to chapter 422. Each
60 agency receiving funds under this section may use not more than ten
61 per cent of such funds for administration of the programs for which the
62 funds were provided.

63 [(b) Notwithstanding the provisions of subsection (a) of this section,
64 fifty per cent of the moneys deposited in the community investment
65 account from January 1, 2016, until June 30, 2017, shall be credited every
66 three months to the resources of the General Fund, provided the funds
67 remaining in the account shall be distributed as provided in subsection
68 (a) of this section.]

69 Sec. 3. Subsection (h) of section 49-10 of the general statutes is
70 repealed and the following is substituted in lieu thereof (*Effective July 1,*
71 *2024*):

72 (h) Notwithstanding the provisions concerning remittance and
73 retention of fees set forth in section 7-34a, as amended by this act, the
74 recording fees paid in accordance with subsections (a), (d) and (e) of
75 [said] section 7-34a, as amended by this act, by a nominee of a
76 mortgagee, as defined in subdivision (2) of subsection (a) of [said]
77 section 7-34a, shall be allocated as follows: (1) For fees collected upon a
78 recording by a nominee of a mortgagee, except for the recording of (A)
79 an assignment of mortgage in which the nominee of a mortgagee
80 appears as assignor, and (B) a release of mortgage, as described in

81 section 49-8, by a nominee of a mortgagee, the town clerk shall remit one
82 hundred ten dollars of such fees to the state, such fees shall be deposited
83 into the General Fund and, upon deposit in the General Fund, [thirty-
84 six] forty-one dollars of such fees shall be credited to the community
85 investment account established pursuant to section 4-66aa, as amended
86 by this act; the town clerk shall retain forty-nine dollars of such fees,
87 thirty-nine dollars of which shall become part of the general revenue of
88 such municipality and ten dollars of which shall be deposited into the
89 town clerk fund; and the town clerk shall retain any fees for additional
90 pages beyond the first page in accordance with the provisions of
91 subdivision (2) of subsection (a) of [said] section 7-34a; and (2) for the
92 fee collected upon a recording of (A) an assignment of mortgage in
93 which the nominee appears as assignor, or (B) a release of mortgage by
94 a nominee of a mortgagee, the town clerk shall remit one hundred
95 twenty-seven dollars of such fee to the state, such fee shall be deposited
96 into the General Fund and, upon deposit in the General Fund, [thirty-
97 six] forty-one dollars of such fee shall be credited to the community
98 investment account, [and, until October 1, 2014, sixty dollars of such fee
99 shall be credited to the State Banking Fund for purposes of funding the
100 foreclosure mediation program established by section 49-31m;] and the
101 town clerk shall retain thirty-two dollars of such fee, which shall become
102 part of the general revenue of such municipality.

103 Sec. 4. Section 22-38a of the general statutes is repealed and the
104 following is substituted in lieu thereof (*Effective July 1, 2024*):

105 The Commissioner of Agriculture shall establish and administer a
106 program to promote the marketing of farm products grown and
107 produced in Connecticut for the purpose of encouraging the
108 development of agriculture in the state. The commissioner may, within
109 available appropriations, provide a grant-in-aid to any person, firm,
110 partnership or corporation engaged in the promotion and marketing of
111 such farm products, provided the words "CONNECTICUT-GROWN"
112 or "CT-Grown" are clearly incorporated in such promotional and
113 marketing activities. The commissioner shall (1) provide for the design,
114 plan and implementation of a multiyear, state-wide marketing and

115 advertising campaign, including, but not limited to, television and radio
116 advertisements, promoting the availability of, and advantages of
117 purchasing, Connecticut-grown farm products, (2) establish and
118 continuously update a web site connected with such advertising
119 campaign that includes, but is not limited to, a comprehensive listing of
120 Connecticut farmers' markets, pick-your-own farms, roadside and on-
121 farm markets, farm wineries, garden centers and nurseries selling
122 predominantly Connecticut-grown horticultural products and agri-
123 tourism events and attractions, and (3) conduct efforts to promote
124 interaction and business relationships between farmers and restaurants,
125 grocery stores, institutional cafeterias and other potential institutional
126 purchasers of Connecticut-grown farm products, including, but not
127 limited to, (A) linking farmers and potential purchasers through a
128 separate feature of the web site established pursuant to this section, and
129 (B) organizing state-wide or regional events promoting Connecticut-
130 grown farm products, where farmers and potential institutional
131 customers are invited to participate. The commissioner shall use his best
132 efforts to solicit cooperation and participation from the farm, corporate,
133 retail, wholesale and grocery communities in such advertising, Internet-
134 related and event planning efforts, including, but not limited to,
135 soliciting private sector matching funds. The commissioner shall use all
136 of the funds provided to the Department of Agriculture pursuant to
137 subparagraph (C) of subdivision (5) of [subsection (a) of] section 4-66aa,
138 as amended by this act, for the purposes of this section. The
139 commissioner shall report annually to the joint standing committee of
140 the General Assembly having cognizance of matters relating to the
141 environment on issues with respect to efforts undertaken pursuant to
142 the requirements of this section, including, but not limited to, the
143 amount of private matching funds received and expended by the
144 department. The commissioner may adopt, in accordance with chapter
145 54, such regulations as he deems necessary to carry out the purposes of
146 this section.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>July 1, 2024</i>	7-34a(e)
Sec. 2	<i>July 1, 2024</i>	4-66aa
Sec. 3	<i>July 1, 2024</i>	49-10(h)
Sec. 4	<i>July 1, 2024</i>	22-38a

Statement of Legislative Commissioners:

Section 4 was added to conform with the changes made in Section 2.

GAE *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Resources of the General Fund	GF - Revenue Gain	\$2 to \$3 million	\$2 to \$3 million

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 25 \$	FY 26 \$
All Municipalities	Revenue Gain	Potential	Potential

Explanation

The bill, which increases the land recording fee by \$5, is anticipated to result in a revenue gain of \$2 million to \$3 million per year, beginning in FY 25, to the Community Investment Account (CIA) within the General Fund. The actual revenue generated will be dependent of the number of land record filings each year.

The increase in revenue to the CIA will be distributed equally among: (1) the Department of Economic and Community Development for historic preservation activities, (2) the Department of Housing for affordable housing programs, (3) the Department of Energy and Environmental Protection for municipal open space grants, and (4) the Department of Agriculture for farmland preservation programs.

The bill may also result in a revenue gain to municipalities from grants provided by the Department of Energy and Environmental Protection to purchase open space.

The Out Years

The annualized ongoing fiscal impact identified above would continue subject to the number of land record filings each year.

OLR Bill Analysis**sSB 351*****AN ACT INCREASING FUNDING FOR THE COMMUNITY INVESTMENT ACCOUNT.***

This bill increases, by \$5, the land record recording fee that funds the General Fund's community investment account (CIA, see BACKGROUND).

Specifically, it increases the fee for recording land records from \$40 to \$45, and correspondingly increases the amount of the fee town clerks must remit to the state treasurer for deposit in the CIA from \$36 to \$41. (Other fees charged for recording land records are unchanged by the bill.)

Existing law also sets a \$116 fee for recording most documents by mortgagee nominees, of which the town clerk must remit \$110 to the state for deposit in the General Fund. For assignments to or releases by mortgage nominees, the law sets the fee at \$159, of which the town clerk must remit \$127 to the state for the General Fund.

In either case, the bill increases, from \$36 to \$41, the amount that the state must credit to the CIA from the amount deposited in the General Fund. (However, the bill does not increase the overall fees or the portions remitted to the state.)

Lastly, the bill makes technical changes, including eliminating obsolete provisions.

EFFECTIVE DATE: July 1, 2024

BACKGROUND***Community Investment Account***

By law, the CIA provides funding for milk producers and projects related to open space, farmland preservation, historic preservation, affordable housing, and agriculture promotion. Money is distributed quarterly to the state's agriculture sustainability account and the departments of Agriculture, Economic and Community Development, Energy and Environmental Protection, and Housing.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable

Yea 14 Nay 5 (03/15/2024)